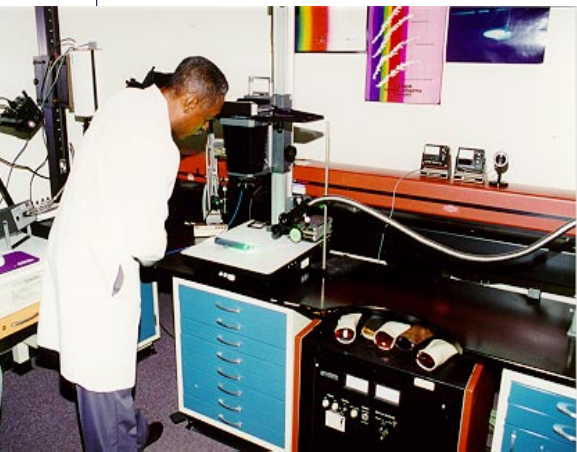


THE BUREAU OF ALCOHOL, TOBACCO AND FIREARMS







# FINANCIAL STATEMENTS



DEPARTMENT OF THE TREASURY  
**BUREAU OF ALCOHOL, TOBACCO AND FIREARMS**  
 STATEMENTS OF FINANCIAL POSITION  
 As of September 30, 1996 and 1995

	1996	(Restated) 1995
	<i>(In Thousands)</i>	
<b>ASSETS</b>		
<b>Entity Assets</b>		
<b>Intragovernmental Assets:</b>		
Fund Balance with Treasury (Note 2)	\$ 90,488	\$ 96,137
Accounts Receivable (Note 3)	12,001	8,650
<b>Governmental Assets:</b>		
Other Assets	244	231
Cash (Note 2)	2,242	2,176
Aircraft Materials and Supplies (Note 4)	0	50,318
Property and Equipment, Net (Note 5)	28,712	48,975
<b>Total Entity Assets</b>	133,687	206,487
<b>Non-Entity Assets</b>		
<b>Intragovernmental Assets:</b>		
Fund Balance with Treasury (Note 2)	1,849	1,671
Accounts Receivable (Note 3)	13,206	14,419
<b>Governmental Assets:</b>		
Accounts Receivable, Net (Note 3)	2,578	1,563
<b>Total Non-Entity Assets</b>	17,633	17,653
<b>Total Assets</b>	\$151,320	\$224,140

DEPARTMENT OF THE TREASURY  
BUREAU OF ALCOHOL, TOBACCO AND FIREARMS  
STATEMENTS OF FINANCIAL POSITION  
As of September 30, 1996 and 1995

	1996	(Restated) 1995
	<i>(In Thousands)</i>	
<b>LIABILITIES</b>		
<b>Liabilities Covered by Funded Resources</b>		
<b>Entity</b>		
<b>Intragovernmental Liabilities:</b>		
Accounts Payable	\$ 2,222	\$ 1,800
<b>Governmental Liabilities:</b>		
Accounts Payable	17,079	13,660
Accrued Funded Payroll Benefits	12,612	11,028
Other Liabilities	556	512
<b>Total Entity Liabilities</b>	32,469	27,000
<b>Non-Entity</b>		
<b>Intragovernmental Liabilities:</b>		
Payable to Treasury	2,514	1,470
<b>Governmental Liabilities:</b>		
Accounts Payable	13,270	14,512
Other Liabilities (Note 2)	1,849	1,671
<b>Total Non-Entity Liabilities</b>	17,633	17,653
<b>Total Liabilities Covered by Funded Resources</b>	50,102	44,653
<b>Liabilities Not Covered by Funded Resources</b>		
<b>Entity</b>		
<b>Intragovernmental Liabilities:</b>		
Accrued FECA Liability (Note 6)	15,879	16,317
<b>Governmental Liabilities:</b>		
Accrued Leave	23,541	22,268
FECA Actuarial Liability (Note 6)	79,474	75,451
Capital Lease Liability (Note 7)	145	369
Contingent Liabilities (Note 8)	865	354
<b>Total Liabilities Not Covered by Funded Resources</b>	119,904	114,759
<b>Total Liabilities</b>	170,006	159,412
<b>NET POSITION (Note 9)</b>	(18,686)	64,728
<b>Total Liabilities and Net Position</b>	\$151,320	\$224,140

The accompanying notes are an integral part of these statements.

DEPARTMENT OF THE TREASURY  
**BUREAU OF ALCOHOL, TOBACCO AND FIREARMS**  
 STATEMENTS OF OPERATIONS AND CHANGES IN NET POSITION  
 For the Years Ended September 30, 1996 and 1995

	1996	(Restated) Unaudited 1995
	<i>(In Thousands)</i>	
<b>REVENUE AND FINANCING SOURCES</b>		
<b>Entity Revenue and Financing Sources:</b>		
Appropriated Capital Used	\$ 411,778	\$ 389,789
Reimbursement from Services Provided (Note 10)	18,121	19,525
Other Financing Sources (Note 10)	2,880	2,066
<b>Total Entity Revenue and Financing Sources</b>	<b>432,779</b>	<b>411,380</b>
<b>Non-Entity Revenue and Financing Sources:</b>		
Taxes (Note 11)	12,227,044	12,726,808
Interest and Penalties, Non-Federal (Note 11)	3,411	854
Other Revenue (Note 10)	148	249
<b>Less:</b>		
Taxes and Receipts Transferred to the Treasury and Other Agencies	(12,230,603)	(12,727,911)
<b>Total Non-Entity Revenue and Financing Sources</b>	<b>0</b>	<b>0</b>
<b>Total Revenue and Financing Sources</b>	<b>432,779</b>	<b>411,380</b>
<b>ENTITY EXPENSES</b>		
Program and Operating Expenses (Note 12)	430,824	405,860
Depreciation and Amortization	11,437	9,454
Change in Actuarial Liability (Note 6)	4,023	(1,195)
Other Expenses	295	419
<b>Total Entity Expenses</b>	<b>446,579</b>	<b>414,538</b>
<b>SHORTAGE OF REVENUE AND FINANCING SOURCES OVER TOTAL EXPENSES</b>	<b>(13,800)</b>	<b>(3,158)</b>
<b>NET POSITION, BEGINNING BALANCE, AS PREVIOUSLY STATED</b>	<b>67,487</b>	
Prior Period Adjustment (Note 13)	(2,759)	
<b>NET POSITION, BEGINNING BALANCE, AS RESTATED</b>	<b>64,728</b>	<b>(9,243)</b>
Non-Operating Changes (Note 14)	(69,614)	77,129
<b>NET POSITION, ENDING BALANCE</b>	<b>\$ (18,686)</b>	<b>\$ 64,728</b>

The accompanying notes are an integral part of these statements.